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Of Attorneys for Third-Party Defendant, Water Quality
Insurance Syndicate

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

PORTLAND DIVISION

CENTURY INDEMNITY COMPANY, a
Pennsylvania corporation,

Plaintiff,

vs.

THE MARINE GROUP, LLC, a
California limited liability company, as
affiliated with **NORTHWEST MARINE,**
INC., an inactive Oregon corporation, as
affiliated with **NORTHWEST MARINE**
IRON WORKS, an inactive Oregon
corporation,

Defendants.

Case No. 3:08-CV-01375-AC

**DECLARATION OF JOHN M. WOODS IN
SUPPORT OF THIRD-PARTY
DEFENDANT WATER QUALITY
INSURANCE SYNDICATE'S MOTION
FOR PARTIAL SUMMARY JUDGMENT**

THE MARINE GROUP, LLC, a
California limited liability company, et al.,

Third-Party Plaintiffs,

vs.

**AGRICULTURAL INSURANCE
COMPANY, and AGRICULTURAL
EXCESS AND SURPLUS INSURANCE
COMPANY**, each an Ohio corporation; et
al.,

Third-Party Defendants.

I, John M. Woods, if called to testify, could and would testify to the following based on my own personal knowledge:

1. I am a partner at the law firm Clyde & Co US LLP, attorneys for Third-Party Defendant Water Quality Insurance Syndicate (“WQIS”) in this matter, and I am fully familiar with the pleadings and proceedings had herein.

2. I respectfully submit this declaration in support of WQIS' Motion for Partial Summary Judgment.

3. Based on a review of the documents produced to WQIS by the Third-Party Plaintiffs, none indicates that Northwest Marine Iron Works (“Northwest”) declared vessels to WQIS, or that any other person or entity provided such declarations to WQIS on behalf of Northwest.

4. Based on a review of the documents produced by the Third-Party Plaintiffs to WQIS, none show that Northwest paid premium with respect to specific vessels that it sought to insure under any WQIS policy.

5. The initial notice letters provided to WQIS on behalf of Northwest and Southwest Marine Inc. in the Spring of 2008, which tendered the defense of the underlying investigations by the EPA and the Portland Harbor Natural Resource Trustee Council, contain no reference to any allegations concerning pollution from a vessel. True and accurate copies of these letters are attached herewith as Exhibits 8 and 9.

6. None of the agency communications tendered to WQIS by the Third-Party Plaintiffs, or produced by the Third-Party Plaintiffs in this litigation as so-called “suit documents” that allegedly trigger a duty to defend, contains an allegation of a discharge, spill or release from, or caused by, any vessel during the periods that WQIS insured Northwest. Copies of the agency communications tendered to WQIS by the Third-Party Plaintiffs for defense, or previously produced by the Third-Party Plaintiffs to WQIS as alleged “suit documents,” are attached herewith as Exhibits 3-9, 12-14, and 18-19.

7. True and correct copies of the following documents are annexed hereto as exhibits:

<u>Exhibit</u>	<u>Document</u>
1	Letter dated February 14, 1986 from Daniel Sloan of Marsh & McLennan, Inc. to Jerry McMurray of Northwest Marine Iron Works. (Produced by Third-Party Plaintiffs as NWM208208).
2	Invoice dated August 13, 1987 from Marsh & McLennan to Larry McGillivray of Northwest Marine Iron Works. (Produced by Third-Party Plaintiffs as NWM208204).
3	Letter dated January 11, 2008 from David Batson, Esq. to Lloyd A. Schwartz of BAE Systems Ship Repair, Inc., regarding a convening meeting for the Portland Harbor Superfund Site and attaching a “CERCLA Section 104(e) Nomination Summary.” (Produced by Third-Party Plaintiffs as NWM200588-95).

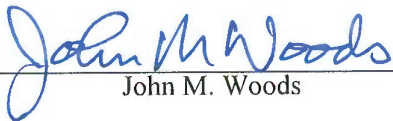
- 4 Letter dated January 18, 2008 from Deb Yamamoto of the EPA to Lloyd A. Schwartz of BAE Systems Ship Repair, Inc. attaching CERCLA 104(e) information request. (Produced by Third-Party Plaintiffs as NWM200622-44).
- 5 Letter dated January 18, 2008 from Ms. Deb Yamamoto of the EPA to Arthur Engel of Northwest Marine Inc. and The Marine Group, LLC attaching CERCLA 104(e) information request. (Produced by Third-Party Plaintiffs as NWM200708-30).
- 6 Letter dated January 30, 2008 from Billy Barquin on behalf of the Portland Harbor Natural Resource Trustee Council, forwarding January 3, 2008 invitation to participate in Natural Resources Damages Assessment. (Produced by Third-Party Plaintiffs as NWM200596-611).
- 7 Letter dated March 26, 2008 from David Batson, Esq. to Arthur Engel of Northwest Marine, Inc. regarding a convening meeting of PRPs. (Produced by Third-Party Plaintiffs as NWM200732-34).
- 8 Letters dated April 18, 2008, from Karen Reed, Esq. to WQIS. (Previously produced by WQIS as WQIS0000256-69).
- 9 Letter dated May 8, 2008, from Karen Reed, Esq. to WQIS. (Previously produced by WQIS as WQIS0000270-71).
- 10 Letter dated May 23, 2008 from John Woods to Karen Reed, Esq. regarding claim under Policy Nos. 10-7204 01 through 10-7204 07. (Previously produced by WQIS as WQIS0000272-74).
- 11 Letter dated May 23, 2008 from John Woods to Karen Reed, Esq. regarding claim under Policy No. 10-4256 09. (Previously produced by WQIS as WQIS0000276-78).
- 12 Letter dated March 22, 2010 from Christopher Ryciewicz, Esq. to Insurers' Counsel, attaching the March 12, 2010 General Notice Letter from the EPA directed to the Marine Group. (Previously produced by WQIS as WQIS0000331-58).
- 13 Letter dated April 20, 2010 from Christopher Ryciewicz, Esq. to Insurers' Counsel, attaching the March 12, 2010 General Notice Letter from the EPA directed to the BAE Systems San Diego Ship Repair, Inc. (Previously produced by WQIS as WQIS0000363-79).

- 14 Letter dated September 28, 2010 from Christopher Rycewicz, Esq. to Insurers' Counsel, attaching the September 27, 2010 letter from the Portland Harbor Trustee Council directed to the Marine Group and BAE Systems San Diego Ship Repair, Inc. (Previously produced by WQIS as WQIS0000424-25).
- 15 Letter dated October 13, 2010 from John Woods to Christopher Rycewicz, Esq. (Previously produced by WQIS as WQIS0000426-28).
- 16 Letter dated January 24, 2011 from Christopher Rycewicz, Esq. to John Woods and Brien Flanagan, Esq. (Previously produced by WQIS as WQIS0000431-32).
- 17 Documents cited in January 24, 2011 letter from Christopher Rycewicz, Esq. to John Woods and Brien Flanagan, Esq. (Previously produced by the Third-Party Plaintiffs as NWM208201, NWM208203, NWM208185-86).
- 18 Letter dated May 18, 2011 from Christopher Rycewicz, Esq. on behalf of BAE Systems San Diego Ship Repair, Inc. to Harry Diamond, attaching the January 28, 2011 demand letter from the Port of Portland (Previously produced by WQIS as WQIS0000440-54).
- 19 Letter dated May 18, 2011 from Christopher Rycewicz, Esq. on behalf of the Marine Group to Harry Diamond, attaching the January 28, 2011 demand letter from the Port of Portland (Previously produced by WQIS as WQIS0000455-69).
- 20 WQIS' First Request for Production to Third-Party Plaintiffs dated January 3, 2014.
- 21 WQIS' First Set of Interrogatories to Third-Party Plaintiffs dated January 3, 2014.
- 22 Highlighted excerpts from transcript of the deposition of William Johnston held on January 7, 2014.
- 23 Third-Party Plaintiffs' Response to WQIS' First Request for Production dated February 10, 2014.
- 24 Third-Party Plaintiffs' Response to WQIS' First Set of Interrogatories dated February 10, 2014.

- 25 Collection of documents cited by Third-Party Plaintiffs in their Response to WQIS' First Set of Interrogatories, dated February 10, 2014. (Previously produced by Third-Party Plaintiffs as MG216605, NWM208185-86, NWM208187-200, NWM208203-04, NWM208209-216, NWMAR011861, NWMAR011863, NWMAR014546-47, NWMAR032957, NWMAR032959, NWMAR032981-88, NWMAR096860, NWMAR096874, NWMAR096876, NWMAR099400-01, NWMAR099508-09.)
- 26 Printout of a search result for Marsh & McLennan performed on the Oregon Secretary of State Corporation Division "Business Registry Name Search" database on September 3, 2014.
- 27 Subpoena and accompanying Schedule A dated September 17, 2014, addressed to Marsh USA, Inc. on behalf of WQIS.
- 28 Affidavit of Sonia Smart dated November 20, 2014. (Redacted to conceal bank account details).

I declare under penalty of perjury that the foregoing is true and correct.

Dated this 23rd day of April, 2015.


John M. Woods